

Resolution No.

# STOCKTON CITY COUNCIL

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## RESOLUTION APPROVING THE STORMWATER RATE ADJUSTMENTS

On August 22, 2023, by Resolution 2023-08-22-1214, the Stockton City Council approved a professional services contract with HDR Engineering, Inc., to evaluate the Stormwater Utility revenue requirements, prepare a cost-of-service analysis, and design rates that proportionately allocate the costs of providing stormwater service among all customer classes and customers within each class; and

The Stormwater Rate Study, dated March 2026, Attachment A to the staff report on this matter, is complete and indicates the need to adjust the rates for the City stormwater service charges to enable the Stormwater Utility to meet its projected operation, maintenance, and capital improvement costs; and

On March 31, 2026, this Council adopted Resolution 2026-03-31-1503, which determined, at the close of the public hearing, that no majority protest has been filed by the property owners and customers of record subject to the proposed Stormwater fees, adopted the Final Stormwater Rate Study prepared by HDR, Inc., directed the City Manager to mail ballots to all property owners or customers of record subject to the proposed rates and charges, and to schedule a public hearing as required by Proposition 218 on June 9, 2026, as the deadline for submission of ballots and the end of the voting period; and

A certificate was filed with the City Clerk setting forth the time and manner of compliance with the requirements of law for mailing notice of the time and place for said Public Hearing and the ballot required by Article XIID of the California Constitution has been done in the time, form, and manner required by law; and

The ballots were mailed to the record owners of any parcels upon which the stormwater service charges are proposed, and any customers who are directly responsible for the payment of stormwater service charges; and

The ballots were mailed on April 24, 2026, to 85,045 affected customers and property owners; and

Notice of the time and place of the Public Hearing was published in The Record on May 8 and May 29, 2026; and

The Final Stormwater Rate Study, dated March 2026, containing the proposed rates, was made available at [www.stocktonca.gov/StormRates](http://www.stocktonca.gov/StormRates) and placed on file with the City Clerk; and

The City Council held the Public Hearing on June 9, 2026, not less than forty-five days after the Ballot was mailed. The Public Hearing was opened, public testimony was received, and the City Council closed the public hearing; and

Prior to closure of the public hearing, the City Clerk received all ballots submitted by affected property owners. Due to the volume of the ballots received and the verification requirements of Proposition 218, the City Clerk required additional time to complete ballot tabulation; and

As a result, the City Council continued the item to June 23, 2026, for the sole purpose of receiving the final ballot tabulation results; and

City Council tabulated the ballots for the proposed adjustments to the rates for the stormwater services charges; and

The City received a majority of returned ballots in support of the proposed adjustments for stormwater services charges; and

The City Council is authorized and has determined to approve the proposed stormwater rate adjustments and act accordingly on the matter; now, therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON,  
AS FOLLOWS:**

1. The matters set forth above are true and correct statements and are made legislative findings and determinations of the City Council and by this reference are made an operative part of this Resolution.

2. The City Council has evaluated and adopted the stormwater service charges at the maximum rates and on the effective dates set forth in Attachment A to the staff report.

3. The City Council finds that the revenues derived from the stormwater service charges established by this Resolution: (a) do not exceed the funds required to provide stormwater services; (b) shall not be used for any other purpose than that for which the rates and charges are imposed; (c) do not exceed the proportional cost of the service attributable to each parcel upon which the charges are imposed; (d) provide services that are immediately available to the customer; and (e) are not levied for general governmental purposes.

4. The City Manager is hereby authorized to take whatever actions are necessary and appropriate to carry out the purpose and intent of this Resolution.

5. In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the City Council has determined that the adjustments

in the stormwater service charges are exempt from CEQA pursuant to sections 15378 and section 15273 of the CEQA Guidelines and the Public Resources Code section 21080(b)(8) because: (a) the adjusted charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (b) the charges constitute the creation of a funding mechanism/or other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. The documents and materials that constitute the record of proceedings on which these findings have been based are in the Office of the City Clerk at 425 N. El Dorado Street, Stockton, CA, 95202.

6. If any section, subsection, subdivision, sentence, clause, or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The City Council hereby declares that it would have adopted any section irrespective of the fact that any one or more subsections, subdivision, sentences, clauses, or phrases are declared unconstitutional, invalid, or ineffective.

7. All resolutions, ordinances, or administrative actions by the City Council, or parts thereof, that are inconsistent or in conflict with any provision of this Resolution are hereby superseded only to the extent of such inconsistency or conflict.

8. Upon adoption, the new rate will take effect on August 1, 2026. The FY 2026-2027 Fee Schedule will be amended accordingly. Future year rate adjustments will be done with the annual fee schedule process to remain consistent with the Stormwater Rate Study.

PASSED, APPROVED, and ADOPTED: June 23, 2026.

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CHRISTINA FUGAZI  
Mayor of the City of Stockton

ATTEST:

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KATHERINE ROLAND, CMC, CPMC  
City Clerk of the City of Stockton